

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CANADA IMPERIAL OIL LIMITED

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FE DOCKET NO. 92-128-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA

DOE/FE ORDER NO. 706

NOVEMBER 12, 1992

I. DESCRIPTION OF REQUEST

On October 7, 1992, Canada Imperial Oil Limited (CIOL) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), requesting blanket authorization to import or export up to a combined total of 146 Bcf of natural gas from or to Canada over a two-year term beginning on the date of first delivery.

CIOL, a Canadian corporation with its headquarters in Calgary, Alberta, is a wholly-owned subsidiary of Exxon Corporation (Exxon). Exxon is a New Jersey corporation with its headquarters in Houston, Texas. CIOL plans to import or export gas for its own account or for the accounts of suppliers and purchasers.

II. FINDING

The application filed by CIOL has been evaluated to determine if the proposed import/export arrangement meets the public interest requirements of section 3 of the NGA, as amended by section 201 of The Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), an import or export of natural gas from or to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by CIOL to import and export natural gas from and to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and is therefore consistent with the public interest.

ORDER

For reasons set forth above, under section 3 of the Natural Gas Act, it is ordered that:

A. Canada Imperial Oil Limited (CIOL) is authorized to import and export from and to Canada up to a combined total of 146 Bcf of natural gas over a two-year term beginning on the date of first delivery.

B. Within two weeks after deliveries begin, CIOL shall notify the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in writing of the date that the first import or export of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, CIOL shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas have been made. If no imports or exports have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, CIOL must report monthly total volumes in Mcf and the average purchase or sales price per MMBtu at the international border. The reports shall also provide the details of each import/export transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the U.S. transporter(s);

(5) the point(s) of entry or exit; (6) the geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and if applicable, (8) the contract pricing provisions, including the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Paragraph C of this Order is due not later than January 30, 1993, and should cover the period from the date of this order until the end of the calendar quarter, December 31, 1992.

Issued in Washington, D.C., on November 12, 1992.

Charles F. Vacek
Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy